

Canadian Celanese Limited

Annual Report

For the Year Ended

December 31st

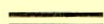
1928

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Canadian Celanese Limited



Annual Report

For the Year Ended

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Directors

BRIG.-GEN. SIR WILLIAM ALEXANDER
K.B.E., C.B., C.M.G., D.S.O., M.P.

C. L. AUGER	LEE CADIEN
W. McC. CAMERON	CAMILLE DREYFUS
HENRI DREYFUS	A. SCHWARTZ
P. A. THOMSON	G. H. WHIGHAM

“ ”

Finance and Executive Committee

P. A. THOMSON	CAMILLE DREYFUS
G. H. WHIGHAM	W. McC. CAMERON

“ ”

Officers

G. H. WHIGHAM, Chairman of Board of Directors
CAMILLE DREYFUS, President
W. McC. CAMERON, Vice-President
LEE CADIEN, Secretary and Treasurer

General Offices

Canada Cement Building
Montreal

Factory

Drummondville
P.Q.

“ ”

Auditors

MESSRS. P. S. ROSS & SONS
Montreal

AUDITORS' REPORT

“ ”

Montreal, Que.,
21st March, 1929

*To the Shareholders,
Canadian Celanese Limited,
Montreal.*

GENTLEMEN :

We have examined the books of account and financial records of Canadian Celanese Limited for the year ended 31st December 1928, and have obtained all the information and explanations we have required.

The inventories of raw materials, supplies, work in process and finished goods have been certified to by responsible officials of your Company.

The charges to plant accounts during the year represent actual additions and improvements, together with a proportion of overhead expenses which has been capitalized.

No reserve for depreciation of fixed assets has been provided for.

Subject to the foregoing, we certify that the attached Balance Sheet as at 31st December 1928, is in accord with the books and, in our opinion, presents a true and correct statement of the financial position of the Company at the date thereof.

Respectfully submitted,

P. S. ROSS & SONS,
Chartered Accountants

Balance Sheet as a

Assets

FIXED

Real Estate, Plant, Organization and Development Expenses, Patents, etc.....	\$ 6,988,265.69
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CURRENT

Cash on hand and in banks, and Loans at Call.....	\$ 546,211.92	
Bonds and Stocks at Cost.....	2,422,536.00	
	<u>\$2,968,747.92</u>	
Accounts Receivable, less Reserve	59,772.16	
Inventories of Raw Materials, Sup- plies, Work in Process and Finished Goods.....	863,042.28	
Interest accrued to date on Bonds and Loans at Call.....	<u>24,724.54</u>	3,916,286.90

DEFERRED CHARGES

Unexpired Insurance, Taxes, etc.	31,313.12
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\$10,935,865.71

Approved on behalf of the Board :

(Signed) G. H. WHIGHAM }
CAMILLE DREYFUS } *Directors*

31st December 1928

Liabilities

CAPITAL STOCK—

AUTHORIZED

150,000 Shares 7% Cumulative
Participating Preferred
300,000 Shares Common with-
out Nominal or Par
Value

ISSUED

90,000 Shares 7% Cumulative Participating Preferred.	\$9,000,000.00	
250,409 Shares Common with- out Nominal or Par Value.....	981,545.00	\$9,981,545.00

(Dividends on Preferred Shares
cumulative from 1st April, 1926)

CURRENT

Accounts Payable and Accrued Liabilities.....	102,671.27
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SUSPENSE

Amount received for Equalization of Dividends.....	339,530.32	
Deferred Credits as at 31st Decem- ber 1928 per attached state- ment.....	512,119.12	851,649.44
		<u>\$10,935,865.71</u>

Examined and Certified Correct in accordance
with our attached certificate.

P. S. ROSS & SONS, Chartered Accountants.

MONTREAL, 21st March 1929.

**Statement of Profit and Loss and Deferred
Credits Account**

For the Year Ended 31st December 1928

* *

By Net Profit on Sales.....	\$ 7,372.65
“ Sundry Revenue.....	9,897.64
	\$ 17,270.29
To Reserve for Bad and Doubtful Accounts..	4,012.94
NET PROFIT FROM OPERATIONS.....	\$ 13,257.35
By Interest Earned on Capital Funds.....	167,151.70
	\$180,409.05

ADD :

Balance at Credit Deferred Credits Account at 1st January 1928, being Interest earned on Capital Funds to date.....	
	331,710.07
Amount of Deferred Credits at 31st December 1928.....	
	\$ 512,119.12

Directors' Report

* *

*To the Shareholders
of Canadian Celanese Limited*

DEAR SIR (OR MADAM) :

Appended herewith are copies of the Balance Sheet showing the financial position of the Company as of December 31st, 1928, and Profit and Loss Account for the fiscal year ending December 31st, 1928, together with statement of the Company's Auditors, Messrs. P. S. Ross and Sons.

The net profits from operations was \$13,257.35, and the total sum carried to deferred credits account for the year \$180,409.05, bringing the total of this account to \$512,119.12. No definite provision has been made this year for depreciation as, the plant being only completed during the year, it was not considered essential to earmark any definite portion of the deferred credits account for that purpose at this time.

The Company's chemical factory was completed so far as to start production at mid-year. Until that time, such yarn as was being used for fabrication was produced in your factory from imported cellulose acetate. The effect of having your own chemical plant in operation was to substantially reduce the cost of cellulose acetate as compared with the imported product, the beneficial effect of which will be still further felt in the year 1929.

We have had approximately six months operation of all departments and the factory is now self-contained from cellulose acetate to finished fabrics which form the main revenue producing item.

The Company has more than doubled its fabric plant during the past year, and further increase is in hand.

Our fabrics have been, and are being, well received in the Dominion and are being developed in a satisfactory manner. Under the circumstances we feel that the results obtained for the year were satisfactory and that your Company will attain complete success.

At this opportunity the Board takes pleasure in thanking the employees and workmen of the Company, both at the factory in Drummondville and at the Head Office in Montreal, as well as its agents wherever situated, for the efficient work they have done during the year under review and for the great loyalty they have shown.

For the Board of Directors,

CAMILLE DREYFUS,
President

APRIL 17TH, 1929.

